

## REMARKS

Applicants request favorable reconsideration and withdrawal of the rejections set forth in the above-noted Office Action in view of the foregoing amendments and following remarks.

Claims 1-21 remain pending, with claim 1 being the only independent claim. Claims 1, 5, 9-12, 17, 18, and 21 have been amended. Support for the amendments can be found throughout the originally-filed disclosure. Accordingly, Applicants submit that the amendments do not include new matter.

### Section 101 Rejection

Claim 1 is rejected in the Office Action under 35 U.S.C. § 101 as being drawn to non-statutory subject matter. Specifically, the Office Action asserts that the recited method may be only a mental process, which is not patentable.

In response, Applicants have amended claim 1 to now recite a step wherein a database is maintained in a computer, and a step wherein that purchase data is received at the computer. As such, Applicants submit that amended claims 1 and 12 are sufficiently tied to a computer so as to meet the “machine-or-transformation” test for statutory subject matter under Section 101. See In re Bilski, \_\_\_ F.3d \_\_\_ (Fed. Cir. 2008). Thus, Applicants submit that the Section 101 rejection should be withdrawn.

### Section 103 Rejection

Claims 1-21 are rejected in the Office Action under 35 U.S.C. § 103(a) as being unpatentable over Brizendine et al. (U.S. Patent No. 6,484,147) in view of Scroggie et al. (U.S. Patent No. 5,970,469).

Applicants respectfully traverse the rejection, and submit that the claimed invention is patentable over the combination of Brizendine et al. and Scroggie et al., for at least the following reasons.

The Office Action cites Brizendine et al. as disclosing a method for facilitating a transfer of loyalty points between two loyalty accounts. The Office Action acknowledges, however, that Brizendine et al. does not disclose a loyalty account to be associated with a geographic area. Applicants note that the claims of the present application do not actually recite a “geographic area loyalty account,” but rather “geographic area loyalty points.” Thus, Applicants are interpreting the Office Action as finding that Brizendine et al. does not disclose geographic area loyalty points.

In order to cure this deficiency in Brizendine et al., the Office Action further cites Scroggie et al. as disclosing entering a zip code in order to receive location-dependent offers. The Office Action concludes that it would have been obvious to one of ordinary skill in the art to have included the teachings of Scroggie et al. of “geographic area points/offers/incentives” in the loyalty accounts disclosed by Brizendine et al. because this would allow to better target the offers of Brizendine et al. based on the market area that the customer resides in.

Applicants respectfully traverse the Office Action’s finding of the combinability of the teachings of Brizendine et al. and Scroggie et al., and the finding that the references together suggest a method as recited in independent claim 1.

Initially, Applicants note that Scroggie et al. does not disclose “loyalty points,” “reward points,” “a loyalty account” or any similar elements. Instead, Scroggie et al.’s method is directed to “incentives.” See, e.g., col. 1, lines 38-43. As examples of the incentives, Scroggie et al. describes such things as coupons, offers for specific products, advisory messages for specific

discounts, and tokens for specific discounts. See, e.g., col. 1, lines 10-25; col. 2, lines 54-65; col. 3, line 55 through col. 4, line 8; col. 11, line 57 through col. 12, line 6. In particular, Scroggie et al. includes an extensive discussion of the incentives being in the form of coupons. See, col. 10, line 5 through col. 11, line 56.

Applicants submit that the “incentives” disclosed by Scroggie et al. cannot be understood to anticipate even a reasonably broad interpretation of Applicants’ claimed “geographic area loyalty points.” The incentives of Scroggie et al. such as coupons, offers for specific products, and advisory messages, do not have the characteristics of the geographic loyalty points defined in the present application. For example, the incentives disclosed by Scroggie et al. are all described as being tied to a specific product or service, e.g., an incentive is directed to a specific brand of toothpaste. Col. 4, lines 45-47. On the other hand, the geographic loyalty points of the present application need not be tied to a specific product or service. Further, the incentives of Scroggie et al., such as coupons, do not have the characteristic of being stored in an account like the geographic loyalty points recited in claim 1.

As Scroggie et al. does not disclose or suggest loyalty points, Applicants submit that the combination of Brizendine et al. and Scroggie et al. would not be taken by one of ordinary skill in the art to suggest “geographic area loyalty points.” As noted above, Brizendine et al. does not disclose geographic area loyalty points, and Scroggie et al. does not disclose loyalty points in general. To the extent that Scroggie et al. that refers to a geographic area features, the reference appears to indicate the use of a geographic area in the context of specific offers. For example, a zip code according to Scroggie et al. determines what offers are transmitted to customers based on the market areas they reside in. Col. 6, lines 61-63. Scroggie et al. further notes that the offers may be limited to specific retailers in the user’s shopping area. Col. 8, lines 35-38. Such

a teaching does not appear to lead to a suggestion of tying the loyalty points disclosed by Brizendine et al. to geographic areas, as Brizendine et al. discloses that loyalty points may already be tied to specific merchant without such a geographic designation. See, e.g., col. 1, lines 63-67.

In sum, Applicants submit that the teachings of Scroggie et al. is not as such suggest the tying of the loyalty points disclosed by Brizendine et al. to geographic areas. Accordingly, Applicants submit that the combination of Brizendine et al. and Scroggie et al. fails to disclose or suggest “geographic area loyalty points,” and the features related to such points recited in independent claim 1 of the present application.

#### Double Patenting Rejection

The Office Action provisionally rejects claims 1-21 on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 1-21 of copending Application No. 10/708,570 (“the ‘570 Application”).

Applicants respectfully traverse the double patenting rejection and submit that the claims of the ‘570 Application and the present application are patentably distinct from each other. Each set of claims includes features that are not recited in the other set of claims. For example, the claims of the present application recite the transfer of loyalty points from a first loyalty account to a second loyalty account, which is not recited in the claims of the ‘570 Application. On the other hand, the claims of the ‘570 Application recite the determination of an amount of geographic area loyalty points based on geographic area and purchase data. The claims of the present application do not recite any features in the context of purchase data. Thus, absent any further references or evidence, Applicants submit that it cannot be said that the claims of the two applications would obvious over each other to one of ordinary skill in the art. As such,

Applicants submit that the double patenting rejection should be withdrawn. Nevertheless, Applicants also note that they would be willing to reconsider the possibility of filing a Terminal Disclaimer in order to even further overcome the double patenting rejection, should all the other issues in the application be deemed resolved as a result of this Amendment.

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Applicants submit that the present application is in condition for allowance. Favorable reconsideration, withdrawal of the rejection set forth in the Office Action, and a Notice of Allowability are requested.

Applicants' undersigned attorney may be reached in our Washington, D.C. Office by telephone at (202) 530-1010. All correspondence should continue to be directed to our address listed below.

Respectfully submitted,

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